

## REMARKS

### **35 U.S.C. § 101 rejections**

In the 17 November 2008 office action and May 26, 2010 Examiner's Answer, claims 175 - 197 are rejected under 35 U.S.C. §101. The Assignee will traverse the rejection of claims 175 - 197 under §101 in three ways. First, by noting that there is no statutory basis for the claim rejections as the claim rejections were authored by an Examiner and an organization with a well documented lack of average or ordinary skill in the relevant arts. It is well established patent examination needs to be completed "*in light of the specification as it would be interpreted by one of ordinary skill in the art.*" (*In re Am. Acad. of Sci. Tech. Ctr.*, 367 F.3d 1359, 1364, 70 USPQ2d 1827 Fed. Cir. 2004, underline added). Second, by noting that the claim rejections fail under both standards of the APA. Third, by noting that the Examiner has failed to establish a prima facie case of non utility. *MPEP 2164.07* states "*the examiner has the initial burden of challenging an asserted utility. Only after the examiner has provided evidence showing that one of ordinary skill in the art would reasonably doubt the asserted utility does the burden shift to the applicant to provide rebuttal evidence sufficient to convince one of ordinary skill in the art of the invention's asserted utility.* *In re Brana*, 51 F.3d 1560, 1566, 34 USPQ2d 1436, 1441 (Fed. Cir. 1995) (citing *In re Bundy*, 642 F.2d 430, 433, 209 USPQ 48, 51 (CCPA 1981)). The Assignee submits that the Examiner has not met the burden required to establish a prima facie case of non utility as he or she has failed to provide any evidence to support the assertions that are the apparent basis for the rejections. The Assignee also notes that the rejections under 35 U.S.C. § 101 are contrary to the recently issued guidance from the Acting Associate Commissioner for Patent Examination Policy as the claims are all directed to providing concrete results for a real world customer and they all pass the machine or transformation test (see Appendix). Finally, the Assignee notes that claim amendments have obviated these claim rejections.

### **35 U.S.C. §103 rejections**

In the 17 November 2008 Office Action and May 26, 2010 Examiner's Answer claims 175 - 197 are rejected under §103(a) as being obvious given U.S. Patent 6,012,053 (hereinafter, Pant) in view of U.S. Patent 5,812,988 (hereinafter, Sandretto). The Examiner has cited Pant and Sandretto as references. The Assignee traverses the rejections for obviousness in several ways. First, by noting that the claim rejections are not in compliance with the Administrative Procedures Act and are therefore moot. Second, by noting the claim rejections are non-statutory. The claim rejections are non-statutory because there is no statutory basis for giving any consideration to an obviousness rejection authored by individuals with a well documented

lack of the required level of average or ordinary skill in the relevant art(s). Third, by noting that the Office Action has failed to establish a prima facie case of obviousness. The cited combination of documents fails to establish a prima facie case of obviousness for claims 175 - 197 by: citing combinations of documents that teach away from the claimed invention, citing a combination of documents that fails to teach one or more limitation for every claim, failing to explain the combination as required by *KSR v Teleflex*, teaching a combination that requires a change in principle of operation of the disclosed inventions and teaching a combination that would destroy the ability of one or more of the inventions to function. *MPEP 2143.03 provides that: to establish prima facie obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art (In re Royka, 490 F.2d 981, 180 USPQ 580 (CCPA 1974))*. Finally, the Assignee notes that claim amendments have obviated these claim rejections.

### **35 U.S.C. §112 first paragraph rejections**

In the 17 November 2008 Office Action and May 26, 2010 Examiner's Answer the Examiner has rejected claims 175 - 197 under 35 U.S.C. §112 first paragraph as lacking a written description that would enable those of average skill in the art to make and use the claimed invention. Specifically, the Examiner has made an unsupported allegation that the invention requires subjective judgments and is by definition unique, arbitrary and subjective. The Assignee will traverse the §112 first paragraph rejection of claims 175 - 197 in three ways. First, by noting that the assertions regarding the alleged lack of written description are not in compliance with the both standards of the Administrative Procedures Act and are therefore moot. Second, by noting the claim rejections are non-statutory. The claim rejections are non-statutory because there is no statutory basis for:

1. rejecting a patent application because it allegedly requires subjective judgments, and/or
2. giving any consideration to a written description rejection authored by individuals and/or an organization with a well documented lack of the required level of average or ordinary skill in the relevant art(s).

Third, by noting that the Office Action has failed to establish a prima facie case that the specification does not meet the requirements of §112 first paragraph. *MPEP 2163 states that: "A description as filed is presumed to be adequate, unless or until sufficient evidence or reasoning to the contrary has been presented by the examiner to rebut the presumption. See, e.g., In re Marzocchi, 439 F.2d 220, 224, 169 USPQ 367, 370 (CCPA 1971). The examiner,*

*therefore, must have a reasonable basis to challenge the adequacy of the written description. The examiner has the initial burden of presenting by a preponderance of evidence why a person skilled in the art would not recognize in an applicant's disclosure a description of the invention defined by the claims. Wertheim, 541 F.2d at 263, 191 USPQ at 97. In rejecting a claim, the examiner must set forth express findings of fact regarding the above analysis which support the lack of written description conclusion. These findings should:*

*(A) Identify the claim limitation at issue; and*

*(B) Establish a prima facie case by providing reasons why a person skilled in the art at the time the application was filed would not have recognized that the inventor was in possession of the invention as claimed in view of the disclosure of the application as filed. A general allegation of "unpredictability in the art" is not a sufficient reason to support a rejection for lack of adequate written description."*

The arguments presented by the Examiner fail to establish the prima facie case required to sustain a §112 first paragraph rejection for a single claim in at least three ways:

1. the first way the 17 November 2008 Office Action fails to establish the prima facie case that the specification does not meet the requirements of §112 first paragraph is that the Examiner has not identified any reasons why a person skilled in the art at the time the application was filed would not have recognized that the inventor was in possession of the invention as claimed. To the contrary, there is substantial evidence that the comments regarding the written description were provided by individuals and an organization that lacks the necessary skill in the relevant arts to understand the claimed invention;
2. the second way the 17 November 2008 Office Action fails to establish the prima facie case that the specification does not meet the requirements of §112 first paragraph is that the Examiner has only made general allegations and conclusory statements (See prior 35 U.S.C. § 101 Rejection of Claims discussion); and
3. the third way the 17 November 2008 Office Action fails to establish a prima facie case that the specification does not meet the requirements of §112 first paragraph is that the Examiner has not identified the claim limitation(s) at issue.

The Assignee submits that the assertion that the specification does not meet the requirements of §112 first paragraph also fail under both standards of the APA. First, as detailed above, the Examiner has not provided any evidence to support these allegations. As a result, the §112 first paragraph rejection of claims 175 - 197 fails under the substantial evidence standard. Second,

a comparison of the method disclosed in the instant application with the description contained in a recently issued patent shows that the rejections fail under the arbitrary and capricious standard for a variety of reasons including the fact that the instant application has no identifiable subjectivity in model development while considerable subjectivity appears to be present in a recently issued patent (7,282,982) and in Pant for completing similar tasks. Further evidence of the arbitrary and capricious nature of the claim rejections can be found by examining prior U.S.P.T.O. fact findings that have thoroughly documented the Examiner's inability to understand the scientific and/or engineering principles applicable to the pertinent art (see Appendix for details).

Summary of 10/750,792	Summary of 7,283,982 filed in 2003
1. Transform raw data into indicators using pre-programmed functions and Linus/AQ algorithms	1. Use <u>any</u> technique to derive a basic model
2. Develop an initial model using the raw and transformed data as inputs by: <ul style="list-style-type: none"> <li>a) creating parallel models using different specified algorithms,</li> <li>b) using <b>stepwise regression</b> to identify the best set of input variables for the models for each algorithm type</li> </ul>	2. Develop an initial model by: <ul style="list-style-type: none"> <li>a) deriving features from the input to the basic model using <u>any</u> current transform regression algorithm, and</li> <li>b) using <b>stepwise regression</b> to select the input features for the initial regression model</li> </ul>
3. Refine the variable selection from 2b) and then transform the resulting set of input variables into summaries using different specified algorithms. Select the best summary using cross validation.	3. Complete a non-linear transformation of an explanatory input feature(s) from the initial model.
	4. Use the transformed input features to create a new linear regression model
4. Use the best set of variables from 3 in a plurality of models and select the model with lowest error	5. Combine the output of the new linear regression model with the output of the initial model and use the sum to provide a final model for the current iteration
	6. Repeat steps 3 through 5 indefinitely

As shown above, both the instant application and issued patent methods rely on stepwise regression for the input variable selection step. The use of stepwise regression for variable selection and the development of summaries from the selected variables has been judged to be obvious (see 103 rejection discussion) and/or too subjective in the instant application and in related applications that develop models (it was equated with the use of fear and emotion in an Office Action for application 09/688,983) while the issued patents reliance on the exact same technique was judged to be novel and concrete when used in model development some four

years later. Furthermore, the written description for the issued patent (7,283,982) appears to be missing at least on critical step.

Rather than providing evidence that would support claim rejections, the 35 U.S.C. §112 first paragraph rejections in the 17 November 2008 Office Action provide additional evidence that the Examiner(s) signing the Office Action do not understand the scientific and/or engineering principles applicable to the pertinent art. No one who understood the scientific and/or engineering principles applicable to the pertinent art would ever suggest that a process that relies on weights obtained from a model created by using stepwise regression, cross validation and the mean squared error algorithm to analyze a validated set of data was arbitrary or subjective. Finally, the Assignee notes that claim amendments have obviated these claim rejections.

### **35 U.S.C. § 112 Second Paragraph Rejections**

In the 17 November 2008 Office Action and May 26, 2010 Examiner's Answer the Examiner has rejected claims 175 - 197 under 35 U.S.C. §112 first paragraph for a variety of reasons including: allegedly lacking a written description that would enable those of average skill in the art to make and use the claimed invention.

The Assignee will traverse the §112 second paragraph rejection of claims 175 - 197 in three ways. First, by noting that the Office Action has failed to establish a prima facie case that the specification does not meet the requirements of §112 second paragraph. Second, by noting that the assertions regarding the alleged lack of written description are not in compliance with the both standards of the Administrative Procedures Act and are therefore moot. Third by noting the rejections are non-statutory. The claim rejections are non-statutory because there is no statutory basis for giving any consideration to a written description rejection authored by individuals and/or an organization with a well documented lack of the required level of average or ordinary skill in the relevant art(s).

As mentioned previously, the first way the Assignee will traverse the 35 U.S.C. §112 second paragraph rejection of claims 175 - 197 will be by noting that the arguments presented by the Examiner fail to establish the prima facie case required to sustain a §112 second paragraph rejection. *MPEP 2173.02 states that: definiteness of claim language must be analyzed, not in a vacuum, but in light of:*

- (A) The content of the particular application disclosure;*
- (B) The teachings of the prior art; and*

*(C) The claim interpretation that would be given by one possessing the ordinary level of skill in the pertinent art at the time the invention was made.*

*In reviewing a claim for compliance with 35 U.S.C. 112, second paragraph, the examiner must consider the claim as a whole to determine whether the claim apprises one of ordinary skill in the art of its scope and, therefore, serves the notice function required by 35 U.S.C. 112, second paragraph, by providing clear warning to others as to what constitutes infringement of the patent. See, e.g., *Solomon v. Kimberly-Clark Corp.*, 216 F.3d 1372, 1379, 55 USPQ2d 1279, 1283 (Fed. Cir. 2000). See also *In re Larsen*, No. 01-1092 (Fed. Cir. May 9, 2001). In the case of claims 175 - 197 the Examiner has failed to establish the prima facie case that the specification does not meet the requirements of §112 second paragraph in four ways for every rejected claim. The four ways are:*

1. by failing to interpret the claims in light of the specification,
2. by failing to provide any evidence that someone of average skill in the relevant arts would have difficulty interpreting the claims,
3. by failing to establish that the limitation(s) in the claims fail to describe the invention and/or
4. by failing to consider the claim as a whole.

The detail cited under the discussion of the §112 first paragraph rejection discussion of failure to comply with the APA also supports the arguments regarding the APA under this section. Finally, the Assignee notes that claim amendments have obviated these claim rejections.

#### **Copending applications**

Under the provisions of MPEP § 2001.06(b), the Examiner is hereby advised of information obtained from co-pending U.S. Patent Application(s) which may be "material to patentability" of the instant application (see *Armour & Co. v. Swift & Co.*, 466 F.2d 767, 779, 175 USPQ 70, 79 7th Cir. 1972).

A review of co-pending applications has revealed that the apparently routine allowance and issue of patents to large companies for "inventions" that do not appear to meet the requirements for allowance (i.e. novelty, written description, etc.) appears to be having a material, negative impact on the prosecution of the assignee's patent applications. In accordance with the prevailing statutes, the allowance and issue of patents to large companies for inventions that do not appear to meet the requirements for allowance should not have any impact on the prosecution of Asset Trust patent applications. In fact, the U.S.P.T.O. has a professed

commitment and a legal obligation to invalidate patents that do not meet the legal requirements for patentability. Unfortunately, the U.S.P.T.O. appears to be shielding the patents issued to large companies for "inventions" that do not appear to meet the statutory requirements for allowance instead of honoring their statutory obligation to invalidate them. In particular, the Assignee has recently determined that the primary reasons it has been forced to file over twenty appeals all appear to be related to efforts to bolster patents issued to large companies for inventions that do not appear to be novel. These reasons include:

1) the need to traverse apparent misrepresentations that prior art that should properly be used to prevent the allowance of (or invalidate) one or more patents issued to a large company is relevant to an Asset Trust patent application. This is the single largest reason the Assignee has been forced to file so many appeals. For example, one reference used to support claim rejections in co-pending application 11/262,146 was SEAL. Among other things SEAL teaches the use of a "semantic similarity measure" for identifying relevant information. As detailed in prior communications, this teaches away from the claimed invention that relies on a mission oriented context model. Of note is the fact that SEAL was not cited during the prosecution of U.S. Patent 7,644,047 which relies on semantic similarity measures for identifying relevant information. In a similar manner, the primary reference used to support the rejection of the claims in co-pending application 11/262,146 is Cheverst (aka GUIDE). A comparison on the key features of Cheverst to the features of the invention claimed in co-pending application 11/262,146 and the features of the invention claimed in U.S. Patent 7,474,960 shows that Cheverst appears to be a much closer match to the issued patent than it is to the rejected claims in the co-pending application.

This practice was clearly used in the instant application as the cited prior art (Pant in particular) is a much closer match to the inventions described in prima facie invalid patents 7,212,996 and 7,433,840 than it is to the claimed invention.

2) the need to traverse apparent misrepresentations that one or more patents issued to a large company for an "invention" that does not appear to meet the requirements for patentability is relevant to an Asset Trust patent application.

3) the need to traverse rejections apparently made without explanation that inventions similar or identical to those found in patents issued to large companies represent non-statutory subject matter. This practice was clearly used in the instant application as the development of a keyword metrics and keyword relevance factors was found to be statutory subject matter in U.S. Patents 7,519,588 and 7,596,581.

4) the apparently improper use of Official Notice.

5. the need to traverse rejections apparently made without evidence that methods and/or claims similar or identical to those found in patents issued to large companies are "too subjective" and/or not enabled. As noted above, this practice has been relied upon to reject the claims in the instant application as the development of models closely resembles the method used by IBM in U.S. Patent 7,283,982.

6. the need to traverse rejections made for informalities.

7. the need to overcome actions taken by Examiners in apparent violation of one or more statutes, rules or established precedents. These actions appear to be concentrated in Asset Trust applications with pending claims that appear to be similar to those in prima facie invalid patents previously issued to one or more large companies.

The subject matter contained in the discussion above may be deemed to relate to the present application, and thus may be felt (with or without reasonable justification) to be material to the prosecution of this instant application.

- Copies of cited U.S. patent application(s) (office actions, specification, claims, and the drawings) or copies of the portion(s) of the application(s) which caused it(them) to be cited, including any claims directed to such portion(s) are attached hereto.
- Copies of the cited U.S. Patent Application(s) (office actions, specification, claims, and the drawings) and U.S. Patents are available on the U.S.P.T.O.'s Image File Wrapper. Therefore copies thereof need not be attached.
- The materials in the envelope are considered trade secrets and are being submitted for consideration under MPEP § 724.

The above-listed co-pending application(s) is not to be construed as prior art. By bringing the above-listed application(s) to the attention of the Examiner, the Assignee does NOT waive any confidentiality concerning the above-listed co-pending application(s) or this application. See MPEP §101. Furthermore, if said application(s) should not mature into patents, such application(s) should be preserved in secrecy under the provisions of 35 U.S.C. § 122 and 37 C.F.R. § 1.14.

#### **Acknowledgement**

The Assignee previously requested: an unbiased patent application examination conducted by an Examiner with knowledge of the relevant arts who follows the law for the instant application.



The Office's apparent failure to provide such an examination for the instant application is taken as an acknowledgment that no personnel with the requisite level of skill in the art and/or training in the relevant statutes and precedents are available at the present time.

#### **Statement under 37 CFR 1.111**

37 CFR 1.111 requires that the basis for amendments to the claims be pointed out after consideration of the references cited or the objections made. The Assignee notes that this requirement is not relevant to the instant application because, as detailed above, there are no references or objections to avoid. Having said that, the Assignee notes that amendments to the independent claims obviate the rejections under 101 and 103 as none of the cited references include a transformation and because the addition of language describing the transformation of data into summaries makes it even more clear that the claimed invention passes the machine or transformation test. The amendments to the claims obviate the 112 first paragraph rejections. The amendments to the claim also obviate the 112 second paragraph rejections by correcting informalities. Finally, the information from co-pending applications makes it even more clear that all claim rejections are moot as it provides clear documentation that the Examiner and the organization do not appear to have the level of skill in the art required to: interpret claims as required to assess 35 U.S.C. 101 compliance, evaluate prior art as required for a 35 U.S.C. 103 evaluation and/or evaluate a written description under either paragraph 1 or 2 of 35 U.S.C. 112.

#### **Reservation of rights**

The Assignee hereby explicitly reserves the right to present the previously modified and/or canceled claims for re-examination in their original format. The cancellation or modification of pending claims to put the instant application in a final form for allowance and issue is not to be construed as a surrender of subject matters covered by the original claims before their cancellation or modification.

#### **Conclusion**

The pending claims are of a form and scope for allowance. Prompt notification thereof is requested.

Respectfully submitted,

Asset Trust, Inc.

/B.J. Bennett/

B.J. Bennett, President

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